

## **REAL ESTATE COMMISSION MEETING**

Heber M. Wells Building

Room 210

9:00 a.m.

May 18, 2016

Telephone Meeting

### **MINUTES**

#### **DIVISION STAFF PRESENT:**

Jonathan Stewart, Division Director  
Mark Fagergren, Education and Licensing Director  
Jeffery Nielsen, Chief Investigator  
Justin Barney, Hearing Officer  
Elizabeth Harris, Assistant Attorney General  
Amber Nielsen, Board Secretary  
Jennica Gruver, Real Estate Education Coordinator  
Van Kagie, Investigator  
Mark Schaerrer, Investigator  
Kadee Wright, Investigator  
Jill Kelsch, Division Staff  
Sarah Nicholson, Division Staff

#### **COMMISSION MEMBERS PRESENT:**

Russell K. Booth, Chair  
Lerron Little, Vice Chair  
Lori Chapman, Commissioner  
William O. Perry, IV, Commissioner  
Calvin R. Musselman, Commissioner

#### **GUESTS:**

Kreg Wagner	Brian Swan
Tammy Lund	Todd Marcus
Davey Compton	Dan Naylor

The May 18, 2016 meeting of the Utah Real Estate Commission began at 9:02 a.m. with Chair Booth conducting.

#### **PLANNING AND ADMINISTRATIVE MATTERS**

Approval of Minutes – A motion was made and seconded to approve the minutes as written from the April 20, 2016 meeting of the Commission. Vote: Chair Booth,

yes; Vice Chair Little, yes; Commissioner Perry, yes; Commissioner Musselman, yes. The motion was approved.

Chair Booth opened the floor to public comment. There was no public comment today.

Commissioner Chapman entered the conference call.

## **DIVISION REPORTS**

### **DIRECTOR'S REPORT – Jonathan Stewart**

Director Stewart mentioned the Division is already looking at issues for the 2017 Legislative Session. If there are any topics the Commission or Public would like to bring to the Division's attention, we are open to receive suggestions for changes.

Chair Booth reported at the ARELLO Conference it was reported the Division has no authority over Commission decision; Chair Booth corrected the wording to state the Division has concurrence.

Chair Booth also brought up the Wire Fraud scheme which is becoming more prevalent in the industry. The scheme is when "super hackers" monitor e-mails regarding real estate transactions and will wait until a transfer of funds is about to occur. The hackers then send new transfer instructions which are seemingly from the involved parties and have the funds deposited in their own accounts. Chair Booth would like the Division to bring that information to the industry and public's attention.

### **ENFORCEMENT REPORT – Jeffery Nielsen**

Mr. Nielsen reported in the month of April the Division received 19 complaints; opened 1 cases; closed 6 cases; leaving 298 open cases. There are 61 cases assigned to the AG's office.

Mr. Nielsen reported the open Appraiser Investigator position is being converted to another Real Estate Investigator position. There are now two Real Estate Investigator positions with the Division which are currently in the application process at this time. Mr. Nielsen hopes by the next meeting will have offers out to the new investigators.

### **Stipulation for Review**

Jonathan Hall

### **EDUCATION AND LICENSING REPORT – Mark Fagergren**

Mr. Fagergren reported the statistics show there are 225 new agents since last month. There are 121 fewer inactive agents which have either expired or become

inactive. This reflects that the industry is getting better.

Mr. Fagergren reported the Division completed their ninth Caravan class which was successful. The more remote areas seem to appreciate the Division will come speak with them.

Mr. Fagergren announced the third member of the Real Estate Licensing team will be leaving the Division. Mr. Fagergren is hopeful the Division will be able to keep the licensing efficiency up during this time of change.

Mr. Fagergren presented the application of David Compton to the Commission. Mr. Compton is requesting Commission approval of his experience for education equivalency. Mr. Compton addressed the Commission. Mr. Marcus will be Mr. Compton's broker should the Commission grant approval; Mr. Marcus spoke on Mr. Compton's behalf.

There are no education stipulations for review.

#### **HEARING OFFICER REPORT/COMMISSION AND INDUSTRY ISSUES – Justin Barney**

There are no licensing stipulations for review.

Mr. Barney reported the proposed TIC rule amendment completed the public comment period without receiving comment. The earliest effective date for this rule would be May 23, 2016. A motion was made to approve and make the rule effective. Vote: Chair Booth, yes; Vice Chair Little, yes; Commissioner Chapman, yes; Commissioner Perry, yes; Commissioner Musselman, yes. The motion was approved.

Mr. Barney reported the committee to discuss advertising rules. The committee met and was made up of Commissioner Musselman, Commissioner Little, Mr. Barney, Mr. Nielsen, Kreg Wagner, and Matt Green. Commissioner Little was elected to chair that committee. There is no recommendation from the committee to be presented today.

A motion was made to close the meeting for the sole purpose of discussing the character, professional competence or physical or mental health of an individual. Vote: Chair Booth, yes; Vice Chair Little, yes; Commissioner Chapman, yes; Commissioner Perry, yes; Commissioner Musselman, yes. The motion was approved.

#### **CLOSED TO PUBLIC**

An Executive Session was held from 9:23 a.m. to 9:38 a.m.

## **OPEN TO PUBLIC**

### **Results of Executive Session**

#### Results of Stipulations

Jonathan Hall – Approved with Division Concurrence

Mr. Compton's education waiver request was approved with Division concurrence.

Chair Booth announced the Division will be putting an update in the Newsletter regarding the Wire Fraud Scheme. Chair Booth recommends the Division contact Katie Johnson with NAR for more information. Director Stewart said he will make this his newsletter article topic for the upcoming newsletter.

A motion was made and seconded to adjourn the meeting. Vote: Chair Booth, yes; Vice Chair Little, yes; Commissioner Chapman, yes; Commissioner Perry, yes; Commissioner Musselman, yes. The motion was approved. The meeting adjourned at 9:41 a.m.